

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: November 3, 2006
Time of Meeting: 8:15 a.m. (Began at 8:16 a.m.)
Place of Meeting: Public Utilities Boardroom
3901 Orange Street (at Ninth & Orange Streets)
Riverside, California

PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN

Roll Call

Present: Jim Anderson (Chair) Joe Tavaglione (Vice-Chair)
 Mary Curtin Bob Stockton
 Ken Sutter Bernie Titus

Absent: Dave Barnhart (absence due to family sick)
 Robert Elliott (absence due to vacation)
 Peter Hubbard (absence due to family sick)

Assistant City Manager Michael Beck attended this meeting.

Western Municipal Water District Board Member Liz Cunnison was present.

PRESENTATION

1. GREASE TO GAS PROJECT LOCATED AT THE CITY OF RIVERSIDE WASTEWATER TREATMENT PLANT

Mr. Regan Bailey, Wastewater Resources Analyst, gave a PowerPoint presentation on the project of converting restaurant grease to gas at the Wastewater Treatment Plant. Public Utilities supports this project with public benefits funds. Board members requested staff to investigate if RPU could get renewable credits from this project.

MINUTES

2. The regular minutes from the Board of Public Utilities meeting held on October 20, 2006 were approved as submitted with the addition, per Chair Jim Anderson, that Board Member Bernie Titus was appointed to the Electric Committee.

Ayes: Anderson, Tavaglione, Curtin, Stockton, Sutter, and Titus.

Noes: None

Abstain: None

Absent: Dave Barnhart (absence due to family sick)
 Robert Elliott (absence due to vacation)
 Peter Hubbard (absence due to family sick)

CITIZENS PARTICIPATION

3. No comments were made.

COMMITTEE REPORTS

4. WATER COMMITTEE REPORT

The Board of Public Utilities accepted and filed the October 20, 2006, Water Committee minutes.

5. FINANCE/MARKETING COMMITTEE REPORT

The Board of Public Utilities accepted and filed the October 27, 2006, Finance/Marketing Committee minutes.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar:

Motion – Curtin. Second – Tavaglione.

Ayes: Anderson, Tavaglione, Curtin, Stockton, Sutter, and Titus.

Noes: None

Abstain: None

Absent: Dave Barnhart (absence due to family sick)
Robert Elliott (absence due to vacation)
Peter Hubbard (absence due to family sick)

ELECTRIC ITEMS

6. 12 KV LINE EXTENSION – NEW SINGLE FAMILY RESIDENCES LOCATED AT JOHN F. KENNEDY AND CHICAGO STREETS
WORK ORDER 644134

The Board of Public Utilities approved the capital expenditure of \$415,000 to install underground primary line extensions to serve 17 new single-family residences (T-27824) located at John F. Kennedy and Chicago Streets.

WATER ITEMS

7. NEW WATER SERVICE AND FIRE HYDRANT INSTALLATIONS
WORK ORDER NO. 0703625

The Board of Public Utilities approved the capital expenditure of \$58,029 for new water services, fire services, and fire hydrant installations for Hawthorne Elementary School located near Irving and Victoria Streets.

8. HUNTS LANE 48-INCH WATER TRANSMISSION MAIN REPLACEMENT PROJECT, BID NOT. 6325 – CHANGE ORDER TO PURCHASE ORDER

The Board of Public Utilities:

- a. Approved the additional capital expenditure of \$100,000; and
- b. Authorized an increase in change order authority, from \$116,400.44 to a total of \$216,410.44, to the contract with Norstar Plumbing and Engineering, Inc., for additional work during construction of the Hunts Lane 48-inch Water Transmission Main Replacement Project.

OTHER ITEMS

DISCUSSION CALENDAR

9. WATER UTILITY INFRASTRUCTURE UPDATE, SAFE W.A.T.E.R. PLAN PROJECTS - SUPPLEMENTAL APPROPRIATION

Assistant Director/Water Kevin Milligan reported that the 2006/07 Capital Improvement Program was adopted prior to approval of the SAFE W.A.T.E.R. Plan, and does not include funding for these projects – implementation of several of the projects in the 2006/07 fiscal year requires approval of a supplemental appropriation of a total of \$26,600,000.

The Board requested that a greater plan on Recycled Water Facilities (Van Buren Boulevard recycled) be brought to the Water Committee in the near future.

Following discussion, the Board of Public Utilities approved and recommended that the City Council:

- a. Approve a mid-year supplemental appropriation of \$15,000,000 to the Surface Water Treatment Plant Account No. 6230000-470807;
- b. Authorize the increase in estimated revenues in the amount of \$8,500,000 to the appropriate grant revenue account to reflect the State Proposition 50 grant funding;
- c. Authorize the City Manager, or his designee, to execute the necessary document to accept the grant;
- d. Approve a mid-year supplemental appropriation of \$800,000 to the Pump Stations Replacement Account No. 6230000-470802 (Emtman Booster, Mockingbird, Whitegates III);
- e. Approve a mid-year supplemental appropriation of \$3,500,000 to the Recycled Water Facilities Account No. 6230000-470811 (Van Buren Blvd recycled);

- f. Approve a mid-year supplemental appropriation of \$100,000 to the Pump Stations Replacement Account No. 6230000-470802 (Whitegates III Reconstruction);
- g. Approve a mid-year supplemental appropriation of \$4,500,000 to the Main Replacements Account No. 6230000-470707 (Jurupa Underpass, University City, Dufferin, Various City Forces projects);
- h. Approve a mid-year supplemental appropriation of \$1,500,000 to the Transmission Mains Account No. 6230000-470735 (Pellessier Ranch Project, Tippecanoe Well Transmission);
- i. Approve a mid-year supplemental appropriation of \$800,000 to the Flume Transmission Main Replacement Account No. 6230000-470798;
- j. Approve a mid-year supplemental appropriation of \$300,000 to the Railroad Crossing Encasements Account No. 6230000-470780; and
- k. Approve a mid-year supplemental appropriation of \$100,000 to the Facility Rehabilitation Account No. 6230000-470803.

Motion – Stockton. Second – Curtin.

Ayes: Anderson, Tavaglione, Curtin, Stockton, Sutter, and Titus.

Noes: None

Abstain: None

Absent: Dave Barnhart (absence due to family sick)
Robert Elliott (absence due to vacation)
Peter Hubbard (absence due to family sick)

At this time Chairman Anderson announced that it was 9:00 a.m. and for those in the audience who came to hear the "Special Meeting" report, entitled "ARLINGTON AVENUE 12, 16, & 20-INCH WATER TRANSMISSION MAIN PROJECT, BID NO. 6345 – CHANGE ORDER TO PURCHASE ORDER, would immediately proceed after Item 10 on this agenda.

10. INTERMOUNTAIN POWER PROJECT RENEWAL POWER SALES CONTRACT

Assistant Director Resources, Gary Nolff reported on the status of the renewal of the IPP Power Sales Contract providing historical background, various aspects of the current contract, terms, conditions and timing of the renewal contract as well a current status of the Unit 3 project.

After extended discussion, the Board expressed concern about the timing of the contract extension and the desire to significantly improve emission levels at the IPP plant. As a result, the Board added a third recommendation to the contract approval authorizing the expenditure of up to \$100,000 to conduct initial feasibility studies for additional emission control at IPP Units 1 & 2 as well as challenging other owner utilities to match or exceed the recommended appropriation.

Following discussion, the Board of Public Utilities approved and recommended that the City Council:

- a. Approve the Renewal Power Sales Contract between the Intermountain Power Agency and the City of Riverside; and
- b. Authorize the City Manager, or his designee, to execute the Renewal Power Sales Contract and any related documents necessary for Riverside to participate in the Intermountain Power Project during the 2027 through 2044 period, as provided in the Renewal Power Sales Contract; **and**
- c. **Authorize the expenditure of up to \$100,000, contingent upon match by Anaheim and Los Angeles, to conduct a feasibility study for emission control for IPA Units 1 and 2.**

Motion – Stockton. Second – Curtin.

Ayes: Anderson, Tavaglione, Curtin, Stockton, Sutter, and Titus.

Noes: None

Abstain: None

Absent: Dave Barnhart (absence due to family sick)
Robert Elliott (absence due to vacation)
Peter Hubbard (absence due to family sick)

10a. ARLINGTON AVENUE 12, 16, & 20-INCH WATER TRANSMISSION MAIN PROJECT, BID NO. 6345 - CHANGE ORDER TO PURCHASE ORDER

Assistant Director/Water Kevin Milligan reported that approval is requested for increased contract change order authority for the Arlington Avenue 12, 16, & 20-inch Water Transmission Main Project, which was awarded to Trautwein Construction, Inc., by the Board of Public Utilities on May 19, 2006.

Following discussion, the Board of Public Utilities:

- a. Approved an additional capital expenditure of \$50,000 for Work Order No. 0501348;
- b. Authorized an increase in change order authority, from \$267,825 to a total of \$317,825 to the original contract with Trautwein Construction, Inc., for proposed additional work during construction of the water transmission main in Arlington Avenue; and
- c. Authorized the City Manager or his designee to execute any contractual documents necessary to effect such change orders.

Motion – Titus. Second – Stockton.

Ayes: Anderson, Tavaglione, Curtin, Stockton, Sutter, and Titus.

Noes: None

Abstain: None

Absent: Dave Barnhart (absence due to family sick)
Robert Elliott (absence due to vacation)
Peter Hubbard (absence due to family sick)

11. ITEMS FOR FUTURE BOARD OF PUBLIC UTILITIES CONSIDERATION AS REQUESTED BY A MEMBER OF THE BOARD OF PUBLIC UTILITIES

Board Chair Anderson requested to place on a Board agenda in mid-December to discuss Public Utilities Board committee assignments for future committees.

DIRECTOR'S REPORT

General Manager Wright introduced newly hired Principal Electric Engineer Jorge Samano who recently worked for the City of Vernon.

12. City of Riverside Renaissance Plan Summary
Oral report by General Manager Wright
13. State and Federal Legislative Update
Oral report by Elizabeth Sanchez, Legislative Analyst.
14. Monthly Update of Goals
15. Financial Statements - August 2006
16. Monthly Power Supply Report - September 2006
17. City Council Agenda - October 24, 2006
18. Upcoming Meetings
Noted that the Property Committee meeting today was cancelled.
19. Systematic Reporting on Conferences/Seminars

Assistant Director /Water Kevin Milligan distributed the City of Riverside Public Utilities Department Recycled Water Program "Draft" EIR plan prepared by Jones & Stokes.

UPCOMING MEETING

Chairman Jim Anderson adjourned the meeting at 10:15 a.m. to the public hearing meeting of the Board of Public Utilities to be held on **Thursday, November 9, 2006**, at **6:00 p.m.** in the Public Utilities Boardroom located at 3901 Orange Street in Riverside, California.

By: _____
David H. Wright, Secretary
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: December 1, 2006